

Message Text

LIMITED OFFICIAL USE

PAGE 01 BELGRA 02761 270852Z

67

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 L-03 H-02 DODE-00 PA-01 PRS-01 AGR-05 SAJ-01

/093 W

----- 002936

R 270810Z APR 76

FM AMEMBASSY BELGRADE

TO SECSTATE WASHDC 6439

INFO AMCONSUL ZAGREB

LIMITED OFFICIAL USE BELGRADE 2761

E.O. 11652: NA

TAGS: ECON EGEN YO

SUBJ: DEVELOPMENTS AND TRENDS IN YUGOSLAV ECONOMY, FIRST QUARTER
1976

REF: BELGRADE 2707

1. A SENIOR FEC STAFF OFFICIAL TOLD EMBOFF THAT DATA ON
FINANCIAL FLOWS IN MARCH INDICATES AN INCREASE IN DOMESTIC
DEMAND SO LARGE THAT AT FIRST IT WAS THOUGHT TO BE IN ERROR.
HE ACKNOWLEDGED THE FEC, BASED ON A DISAPPOINTINGLY LOW FIRST
QUARTER GROWTH IN PRODUCTION, HAS ALREADY FORWARDED A PROPOSAL TO
THE ASSEMBLY THAT PROVIDES FOR A QUOTE QUICK AND STRONG UNQUOTE
STIMULATION OF DEMAND. HOWEVER, IN LIGHT OF THE UNEXPECTED
MARCH DATA, THIS OFFICIAL NOW THOUGHT ANY NEW
STIMULATIVE MEASURES MIGHT BE DELAYED UNTIL (A) IT COULD BE
ESTABLISHED IF MARCH DATA IS ACCURATE AND (B) IF SO, DOES IT
REPRESENT A TREND OR IS IT ONLY A ONE-SHOT PHENOMENOM?
OFFICIAL COULD OFFER NO EXPLANATION FOR MARCH FINANCIAL FIGURES
BEYOND GUESSING THEY MAY BE CONNECTED WITH IMPLEMENTATION OF NEW
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BELGRA 02761 270852Z

ACCOUNTING/PAYMENTS SYSTEM WHICH HAS CAUSED SOME UNUSUAL FINANCIAL

BEHAVIOR BY ENTERPRISES AND BANKS.

2. COMMENT: THIS OFFICIAL WAS OBVIOUSLY EXCITED AND PERPLEXED BY MARCH DATA SINCE, IF DEMAND IS RISING NATURALLY, THE AUTHORITIES DO NOT WANT TO UNDERTAKE ADDITIONAL STIMULATORY MEASURES THAT MIGHT BE INFLATIONARY. ON OTHER HAND, IF THIS INFORMATION DOES NOT SIGNAL A TREND, THEN BY DELAYING STIMULATORY MEASURES GOV AUTHORITIES RUN RISK OF GOING INTO TRADITIONALLY SLACK SUMMER VACATION PERIOD WITH STAGNATING PRODUCTION. SILBERMAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRODUCTION DATA, QUARTERLY REPORTS, ECONOMIC REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 27 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: powellba
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976BELGRA02761
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760160-0168
From: BELGRADE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760420/aaaaaqcv.tel
Line Count: 71
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 BELGRADE 2707
Review Action: RELEASED, APPROVED
Review Authority: powellba
Review Comment: n/a
Review Content Flags:
Review Date: 20 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 MAY 2004 by BoyleJA>; APPROVED <14 SEP 2004 by powellba>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DEVELOPMENTS AND TRENDS IN YUGOSLAV ECONOMY, FIRST QUARTER 1976
TAGS: ECON, EGEN, YO
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006